

State of Alaska FY2027 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Gasline Development Corporation RDU/Component Budget Summary

RDU/Component: Alaska Gasline Development Corporation

Contribution to Department's Mission

Advance the development, financing, construction and operation of a North Slope natural gas pipeline project, in-state natural gas pipelines and other transportation mechanisms capable of delivering natural gas and other non-oil hydrocarbons for the maximum benefit of Alaskans.

Core Services

- Benefit the State by securing a stable, long-term supply of Alaska natural gas that will lower energy costs for residents and businesses, spur economic growth, expand rural energy funding, and improve air quality, among other benefits.
- Commercialize Alaska's enormous North Slope gas reserves for in-state use and export.
- Structure the Alaska Liquefied Natural Gas (Alaska LNG) Project to attract high-quality partners and investors.
- Maximize the ability for public utilities and industrial customers, within proximity to a North Slope natural gas pipeline, to access gas.
- Maintain project assets including major Federal and State authorizations and permits, rights-of-way, project designs and engineering, stakeholder data, Geographic Information System data, and project assets.
- Communicate with Alaskan stakeholders to keep them apprised of the project status, solicit input, and answer their questions.
- Advance and finalize commercial discussions with private investors to take leadership of development of the Alaska LNG Project, fund the Front-End Engineering Design (FEED) stage, and move towards a Final Investment Decision (FID). The advancement encompasses commercial discussions with qualified private investors, commercial discussions with North Slope natural gas producers, commercial discussions with LNG buyers, advancing federal loan guarantees, and analyzing project financing options.

Major Component Accomplishments in 2025

- Completed an independent third-party economic assessment of the proposed Alaska LNG Phase 1 Pipeline (from the North Slope to Southcentral Alaska) as required by the Legislature. Consultant Wood Mackenzie reported that Phase 1 will alleviate the impending natural gas shortage and be a positive economic value to the State. The Alaska Gasline Development Corporation (AGDC) shared the report with the Legislature during committee hearings, and is now publicly available.
- Worked with the Department of Energy to define the requirements necessary to secure up to \$30 billion in federal loan guarantees. The loan guarantee has the potential to significantly reduce financing of the project.
- On March 27, 2025, the AGDC Board approved definitive agreements with Glenfarne to lead project development and initiate Front End Engineering and Design (FEED) for Phase 1 pipeline. Glenfarne acquired 75 percent of 8 Star Alaska, LLC and AGDC retained 25 percent minority ownership, consistent with its prior role in the Pre-FEED joint venture with ExxonMobil, BP, and ConocoPhillips. The AGDC successfully transitioned project leadership and ownership of 8 Star to Glenfarne. Glenfarne now serves as majority owner and Developer, while AGDC provides oversight and support as a minority stakeholder. Supported State and federal attorneys in defending challenges to Alaska LNG permits and authorizations.
- Filed permit authorizations and renewal applications for the Alaska LNG Project.
- Maintained a Compliance Management System to identify and track legal requirements for all permits and authorizations of the Alaska LNG Project.
- Continued ongoing stakeholder engagement activities to keep Alaska communities, local governments, and organizations informed of project development.
- Signed a Letter of Intent for the purchase of six million tons per annum (MTPA) of Alaska LNG offtake with Taiwan's state-owned energy company CPC Corporation.
- Signed a Letter of Intent with the Thai state-owned oil and gas company PTT for LNG offtake.
- Continued commercial offtake discussions with entities in Japan, Korea, and India.
- Advanced agreements with Railbelt utilities and other industrial users to purchase natural gas from Alaska LNG Phase 1 Pipeline.

- Worked with the Legislative Budget and Audit Committee to inform members of AGDC’s option, but not obligation, to invest up to 25 percent equity in Alaska LNG subprojects on behalf of Alaskans.
- Worked with a private Alaska company to develop the Fairbanks Gasline Project that will connect with Alaska LNG Mainline Pipeline and supply natural gas to the interior including Fairbanks. The Fairbanks Gasline Project is not within the scope of the Alaska LNG Project, therefore it must be developed separately.

Key Component Challenges

The Alaska LNG Project transitions to private sector leadership and funding, with the AGDC maintaining 25 percent minority ownership of the project. Under this change, it is important for AGDC to represent the State’s interests and ensure that Glenfarne fulfills its obligations and adheres to project timelines. The AGDC continues to provide critical technical support including coordinating with stakeholders, identifying and addressing legislative issues, and collaborating with Glenfarne to strengthen and capitalize on commercial relationships in Asia over recent years. This transition requires AGDC to meet its budgetary obligations in order to support its ongoing role of minority owner.

Significant Changes in Results to be Delivered in FY2027

The AGDC’s responsibilities under its new role as the 25 percent Minority Owner include:

- Participate in the governance of 8 Star.
- Provide support in the completion of development work necessary prior to reach successful FID for each subproject.
- Provide support and expertise with potential investors and LNG purchasers.
- Ensure agreed to development milestones, commitments, and terms set forth in Definitive Agreements with Glenfarne are met.
- Support the opportunity for the State and Alaskans through AGDC to have the option, but not the obligation, to invest up to 25 percent equity in Alaska LNG subprojects.

Statutory and Regulatory Authority

AS 31.25 Alaska Gasline Development Corporation
AS 31.25.110 Alaska Liquefied Natural Gas Project Fund

Contact Information
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**Alaska Gasline Development Corporation
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2026</u> Management Plan	<u>FY2027</u> Governor		
Full-time	3	3	Annual Salaries	767,896
Part-time	0	0	COLA	25,047
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	377,551
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	1,170,494

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Acct Payroll Contracts Admin	1	0	0	0	1
Director, Administrative Servi	1	0	0	0	1
President	1	0	0	0	1
Totals	3	0	0	0	3

Component Detail All Funds (1077)

Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)

Non-Formula Component

RDU: Alaska Gasline Development Corporation (618)

IRIS AP Type: DA23

	FY2025 Actuals (2342)	FY2026 Enrolled (2316)	FY2026 Authorized (2319)	FY2026 Management Plan (2322)	FY2027 Governor Adjusted Base (2349)	FY2027 Governor (2362)	FY2026 Management Plan vs FY2027 Governor	
1000 Personal Services	1,241.8	1,011.9	1,011.9	1,111.6	58.9	1,170.5	58.9	5.3%
2000 Travel	64.8	47.1	47.1	50.2	0.0	50.2	0.0	0.0%
3000 Services	1,462.7	1,171.8	1,171.8	1,037.0	-34.7	1,002.3	-34.7	-3.3%
4000 Commodities	24.2	40.0	40.0	40.0	0.0	40.0	0.0	0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
7000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
8000 Miscellaneous	0.0	3,211.2	3,211.2	3,243.2	3,243.2	3,243.2	0.0	0.0%
Totals	2,793.5	5,482.0	5,482.0	5,482.0	3,267.4	5,506.2	24.2	0.4%
Funding Sources:								
1004 Gen Fund (UGF)	2,482.7	2,238.8	2,238.8	2,238.8	24.2	2,263.0	24.2	1.1%
1007 I/A Rcpts (Other)	310.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
1235 AGDC-LNG (Other)	0.0	3,243.2	3,243.2	3,243.2	3,243.2	3,243.2	0.0	0.0%
Funding Totals:								
Unrestricted General (UGF)	2,482.7	2,238.8	2,238.8	2,238.8	24.2	2,263.0	24.2	1.1%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other	310.8	3,243.2	3,243.2	3,243.2	3,243.2	3,243.2	0.0	0.0%
Federal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:								
Permanent Full Time	4	4	4	3	3	3	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)
RDU: Alaska Gasline Development Corporation (618)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
***** Changes From FY2026 Enrolled To FY2026 Authorized *****												
FY2026 Enrolled	Enrolled	5,482.0	1,011.9	47.1	1,171.8	40.0	0.0	0.0	3,211.2	4	0	0
1004 Gen Fund		2,238.8										
1235 AGDC-LNG		3,243.2										
		5,482.0	1,011.9	47.1	1,171.8	40.0	0.0	0.0	3,211.2	4	0	0
***** Changes From FY2026 Authorized To FY2026 Management Plan *****												
Delete Full-Time Project Engineer Position No Longer Needed	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
The Alaska Gasline Development Corporation's liquefied natural gas pipeline project is now being led by an outside developer, Glenfarne Group, LLC (Glenfarne). As a result, the Project Engineer (04718X), range 0, located in Anchorage is no longer needed as the work will be absorbed by Glenfarne.												
Align Authority with Anticipated Expenditures	LIT	0.0	99.7	3.1	-134.8	0.0	0.0	0.0	32.0	0	0	0
Align authority to address projected personal services, travel, and miscellaneous expenditures. The remaining services authority is sufficient to support projected needs.												
Authority from the Alaska Liquefied Natural Gas (LNG) Fund will be administratively restricted to accurately reflect the budget amounts for each expenditure line.												
		5,482.0	1,111.6	50.2	1,037.0	40.0	0.0	0.0	3,243.2	3	0	0
***** Changes From FY2026 Management Plan To FY2027 Governor Adjusted Base *****												
Reverse Alaska Gasline Development Corporation Annual Operating Costs	OTI	-2,238.8	-1,111.6	-50.2	-1,037.0	-40.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2,238.8										
This restores general fund support for ongoing Alaska Gasline Development Corporation (AGDC) operating activities in fiscal year (FY) 2026.												
The AGDC was previously supported by the Alaska Liquefied Natural Gas Fund (LNG Fund - 1235, AS 31.25.110). The last appropriation to the LNG fund was in 2024. General funds are needed to continue advancing the Alaska LNG project.												
FY2027 Salary Adjustments	SalAdj	24.2	24.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		24.2										

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)
RDU: Alaska Gasline Development Corporation (618)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
Salary and benefit adjustments for FY2027: \$24.2												
AGDC cost of living adjustment 2.50%: \$24.2												
Align Authority with Anticipated Expenditures												
	LIT	0.0	34.7	0.0	-34.7	0.0	0.0	0.0	0.0	0	0	0
Align authority to address projected personal services expenditures. The remaining services authority is sufficient to support projected services needs.												
		3,267.4	58.9	0.0	-34.7	0.0	0.0	0.0	3,243.2	3	0	0

***** Changes From FY2027 Governor Adjusted Base To FY2027 Governor *****												
Restore Alaska Gasline Development Corporation Annual Operating Costs												
	IncOTI	2,238.8	1,111.6	50.2	1,037.0	40.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2,238.8										

The Alaska Gasline Development Corporation's (AGDC) responsibilities changed at the start of fiscal year (FY) 2026 with the successful transition of the Alaska Liquefied Natural Gas (LNG) Project to private sector leadership and funding. The AGDC's role changed from 100 percent Owner to 25 percent Minority Owner under the definitive agreements with Glenfarne Group, LLC (Glenfarne). The AGDC has established a core management organization to oversee and govern the AGDC's ongoing ownership and interest in the 8 Star Alaska series organization and the Alaska LNG Project. This consists of three full-time employees and support from contractors. The key functions that drive the organization are the following: 8 Star Alaska governance, Alaska LNG development support, Final Investment Decision (FID) management, claw back management, and other gas infrastructure development.

To be as efficient as possible, the AGDC keeps the number of employees to a minimum and contracts for technical, legal, regulatory, and management support. This allows the AGDC to be as efficient as possible by only using expertise when needed. In previous budgets, the AGDC's contractual support was primarily in the capital budget. The FY2027 budget request is reflected in the operating budget only; there is no capital budget request for FY2027. Additionally, the Alaska LNG Fund will be exhausted by the end of FY2026.

The services line provides funding for the routine office management needs of rent, utilities, insurance, information technology support, software, equipment rental and maintenance, and office supplies. Contractor support provides project management, accounting, information technology and network management, budget coordination, environmental, regulatory, commercial negotiation expertise, and policy development.

The AGDC will need a significant amount of legal support from the Department of Law as well as from contract attorneys. The Department of Law's assistance is necessary as the terms of the definitive agreements with Glenfarne are implemented and interpretation conflicts arise. Property taxes are another issue that requires the Department of Law's support.

As 25 percent minority owner of 8 Star Alaska, the AGDC has reserved the option for Alaska to invest in the Alaska LNG project. The AGDC will continue coordinating with the legislature to present the investment opportunity and support legislative consideration of the State of Alaska's potential to invest in the Alaska LNG project. The AGDC's implementing statutes also direct that Alaskans be provided with an opportunity to invest. Future investment structures will require collaboration with the Department of Law and the Department of Revenue (DOR). The DOR will also provide modeling services.

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)
RDU: Alaska Gasline Development Corporation (618)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
<p>Contract attorneys will create prospectuses that will inform the legislature, State agencies, and Alaskans of the relevant financial details needed prior to making an investment decision. A marketing plan will be developed and implemented ensuring that the investment opportunity is available to Alaskans, Alaska Native Corporations, and Alaskan companies that would like to purchase ownership shares in the Alaska LNG project.</p>												
		5,506.2	1,170.5	50.2	1,002.3	40.0	0.0	0.0	3,243.2	3	0	0

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Travel**

Component: Alaska Gasline Development Corporation (2986)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
2000	Travel		64.8	50.2	50.2
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
2000 Travel Detail Totals			64.8	50.2	50.2
2000	In-State Employee Travel	In-State Transportation - Transportation costs for travel relating to administration, meetings, boards and commissions.	9.2	34.3	34.3
2002	Out of State Employee Travel	Out-of-State Transportation - Transportation costs for travel relating to administration, meetings, boards and commissions.	50.7	15.9	15.9
2006	Other Travel Costs	Board travel.	4.9	0.0	0.0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Alaska Gasline Development Corporation (2986)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
3000	Services		1,462.7	1,037.0	1,002.3
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
3000 Services Detail Totals			1,462.7	1,037.0	1,002.3
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses.	11.7	1.5	1.5
3001	Financial Services	Accounting, auditing, management consulting, grantee monitoring, loan servicing and insurance related services.	315.6	90.2	225.0
3002	Legal and Judicial Services	Legal and judicial services, including costs to conduct hearings and transcription fees.	0.0	3.5	3.5
3003	Information Technology	Information Technology - Training, consulting, equipment and software leases, licensing and maintenance.	280.5	332.3	332.3
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	28.2	30.0	30.0
3006	Delivery Services	Freight, courier services, and postage.	0.6	1.5	1.5
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	198.0	200.0	200.0
3010	Equipment/Machinery	Machinery, furniture and equipment purchase, repairs, maintenance,	0.0	40.0	0.0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Alaska Gasline Development Corporation (2986)

Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
3000 Services Detail Totals			1,462.7	1,037.0	1,002.3
		rentals, and leases.			
3011	Other Services	Other professional services.	173.4	50.0	25.5
3011	Other Services	Honorariums and stipends.	10.0	15.0	15.0
3011	Other Services	Professional services, external affairs.	0.0	15.0	0.0
3011	Other Services	Insurance.	62.8	80.0	80.0
3011	Other Services	Professional services, consulting.	0.0	90.0	0.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	7.1	18.0	18.0
3038	Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027)	14.7	30.0	30.0
3038	Inter-Agency Management/Consulting	Gov - Department-wide	310.8	0.0	0.0
		Reimbursable services agreement with the Office of the Governor for Wood-Mackenzie economic analysis.			
3038	Inter-Agency Management/Consulting	Rev - Department-wide	5.0	10.0	10.0
		Reimbursable services agreement with Alaska Housing Finance Corporation for employee benefits administration.			
3038	Inter-Agency Management/Consulting	Law - Department-wide	44.3	30.0	30.0
		Reimbursable services agreement with the Department of Law for AKLNG Pipeline Legal Services.			

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Commodities**

Component: Alaska Gasline Development Corporation (2986)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
4000	Commodities		24.2	40.0	40.0
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
		4000 Commodities Detail Totals	24.2	40.0	40.0
4000	Business	Supplies for office, library, training, and instructional needs, including small equipment, tools and subscriptions.	24.2	40.0	40.0

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Miscellaneous**

Component: Alaska Gasline Development Corporation (2986)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
8000	Miscellaneous		0.0	3,243.2	3,243.2
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
8000 Miscellaneous Detail Totals			0.0	3,243.2	3,243.2
8000	Debt Service	LNG funds temporarily moved to the miscellaneous line.	0.0	3,243.2	3,243.2

Revenue Detail (1681)

Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
5007 I/A Rcpts (1007 I/A Rcpts)			310.8	0.0	0.0
5301 Inter-Agency Receipts	Gov - Department-wide	Reimbursable services agreement - Office of the Governor.	310.8	0.0	0.0

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Alaska Gasline Development Corporation (2986)

				FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
Component Totals				381.9	88.0	88.0
With Department of Commerce, Community, and Economic Development				21.8	48.0	48.0
With Office of the Governor				310.8	0.0	0.0
With Department of Revenue				5.0	10.0	10.0
With Department of Law				44.3	30.0	30.0
Object Class	Servicing Agency	Explanation		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
3038 Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services support.		7.1	18.0	18.0
3038 Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027)	Commissioner's Office support.		14.7	30.0	30.0
3038 Inter-Agency Management/Consulting	Gov - Department-wide	Reimbursable services agreement with the Office of the Governor for Wood-Mackenzie economic analysis.		310.8	0.0	0.0
3038 Inter-Agency Management/Consulting	Rev - Department-wide	Reimbursable services agreement with Alaska Housing Finance Corporation for employee benefits administration.		5.0	10.0	10.0
3038 Inter-Agency Management/Consulting	Law - Department-wide	Reimbursable services agreement with the Department of Law for AKLNG Pipeline Legal Services.		44.3	30.0	30.0

Personal Services Expenditure Detail (1445)
Department of Commerce, Community, and Economic Development

Scenario: FY2027 Governor (23629)
Component: Alaska Gasline Development Corporation (2986)
RDU: Alaska Gasline Development Corporation (618)

Status PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Steps	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
04702X	Acct Payroll Contracts Admin	FT	5	-5	Anchorage	99	0	12.0		124,274	4,213	0	84,959	213,446	213,446
04720X	Director, Administrative Servi	FT	5	-5	Anchorage	99	0 A	12.0		204,796	6,629	0	111,800	323,225	323,225
04732X	President	FT	5	-5	Anchorage	99	0 A	12.0		438,826	14,205	0	180,792	633,823	633,823
Total												Total Salary Costs:	767,896		
Positions												Total COLA:	25,047		
New												Total Premium Pay:	0		
Deleted												Total Benefits:	377,551		
Full Time Positions:	3	0	0												
Part Time Positions:	0	0	0												
Non Permanent Positions:	0	0	0												
Positions in Component:	3	0	0												
Total Component Months:	36.0														
												Total Pre-Vacancy:	1,170,494		
												Minus Vacancy Adjustment of 0.00%:	(0)		
												Total Post-Vacancy:	1,170,494		
												Plus Lump Sum Premium Pay:	0		
												Personal Services Line 100:	1,170,494		

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 Unrestricted General Fund Receipts	1,170,494	1,170,494	100.00%
Total PCN Funding:	1,170,494	1,170,494	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

State of Alaska
Department of Commerce, Community, and Economic Development
Alaska Gasline Development Corporation
FY2027 Governor Organization Chart

